

**TITLE:** Completion Deadline Extension and Resolution**DATE:** 06/02/16**PROJECT:** Construction Package No. 1**CONTRACT NO:** HSR 13-06**CONTRACTOR:** Attn: Jim Laing  
Tutor Perini/Zachry/Parsons, a Joint Venture  
1401 Fulton Street  
Suite 400  
Fresno, CA 93721**DESCRIPTION OF CHANGE:**

Delays in acquiring necessary project right-of-way properties principally caused by the *John Tos, Aaron Fukuda and County of Kings v. California High Speed Rail Authority* lawsuit, initially prevented the Authority's access to state funding and required the Federal Railroad Administration and the Authority to modify a federal grant agreement to allow the use of federal funds through a tapered match arrangement. The *Tos* delay triggered the need to update over 500 already completed right-of-way appraisals that had gone stale during the period of renegotiation and execution of the federal grant amendment and the need to issue a limited notice to proceed for the CP 1 Contract to limit spending of federal grant funds while the California High-Speed Rail Authority successfully litigated a Validation Action that allowed access to federal grant state matching funds. Tutor Perini/Zachry/Parsons, a Joint Venture (TPZP) and the California High-Speed Rail Authority (CHSRA), due to the inability to fully recover from the overall impact of the delays, have agreed to resolve all Contract delays through December 31, 2015. This Change Order addresses those delays by extending the Contract by 17 months, coupled with a Contract acceleration plan.

Further to requirements of Book 2, Part A, Subpart 2 – Special Provisions Article 3 Completion Deadlines, this Contract Change Order extends the Contract completion deadline by 17 calendar months due to time impacts incurred during the period from Contract execution through December 31, 2015. In consideration of such extension of the completion deadline and acceleration of the Work, this Contract Change Order increases the Contract amount by \$49.9 million and \$13.612 million, respectively, as described below:

**1. Revise Special Provisions Section 3 to state:**

The "Substantial Completion Deadline" is defined as 68.5 months after NTP-1, as such deadline may be extended in accordance with the Contract Documents. The Contractor shall achieve Substantial Completion on or before the Substantial Completion Deadline.

The "Final Acceptance Deadline" is defined as 70.5 months after NTP-1, as such deadline may be extended in accordance with the Contract Documents. The Contractor shall achieve Final Acceptance on or before the Final Acceptance Deadline.

To compensate the Contractor for the additional direct and indirect costs caused by the time-related impacts, including but not limited to, labor, materials, equipment standby, supervision, overhead and escalation associated with this 17 month extension of the completion deadlines, the Contractor shall be paid the agreed lump sum of \$49.9 million. The lump sum of \$49.9 million will be paid after execution of this Change Order, within normal and reasonable payment processing time.

2. Further to the establishment of the revised completion deadlines described above, the CHSRA and the Contractor agree that an approximate seven month acceleration of the Work is necessary. Subsequent to the execution of this Change Order, a supplemental Change Order in the amount of \$13.612 million will be executed to accelerate the Work to completion within the Completion Deadlines described above. As part of and prior to execution of the supplemental Change Order, a revised schedule reflecting the 17 month extension of the period of performance shall be agreed by the CHSRA and the Contractor. The lump sum of \$13.612 million will be paid after execution of the supplemental Change Order and agreement of the revised schedule, within normal and reasonable payment processing time.

In consideration of this Change Order, the Contractor agrees to release the CHSRA of any and all claims, liens, liabilities, losses, damages, fees, expenses, defenses, obligations or demands for any extension of time, compensation, or other relief of any type, nature or description known or unknown, which include but are not limited to the following: (1) delay, impacts, compression, cost escalation, loss of productivity or other inefficiency, extended field and/or home office overhead, mobilization and/or demobilization, equipment standby, additional supervision and/or craft labor due to time-related impacts, and/or any mark-up and/or fee thereon including any security-related expenses such as bond and insurance premiums, and (2) arise out of all acts or omissions occurring through December 31, 2015 (both 1 and 2 collectively, TPZP Released Claims), regardless of when the resulting damage is incurred or realized.

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**DESCRIPTION OF CHANGE (cont'd):**

TPZP, after consulting with its own counsel, as related to the TPZP Released Claims through December 31, 2015, waives all of its rights that are provided by Section 1542 of the Civil Code of the State of California, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

As to potential impacts to the Completion Deadlines and additional costs occurring after December 31, 2015, including but not limited to, impacts resulting from the design, construction, relocation and/or protection of AT&T and PG&E facilities and changes resulting from coordination with the Railroads, the Contractor and the CHSRA agree that any determination of time extensions or additional costs resulting subsequent to December 31, 2015 shall be determined pursuant to the existing Contract provisions.

All other provisions of the Contract shall remain unchanged and in full force and effect.

**EXTRA WORK AT AGREED LUMP SUM:**

For this work, the Contractor shall be paid the agreed lump sum of \$49.9 million and \$13.612 million, respectively, as described above. This lump sum constitutes full and complete compensation for providing all services, labor, material, equipment, tools and incidentals, including all markups by reason of this change.

**TIME ADJUSTMENT:**

There shall be a time adjustment by reason of this Change Order as provided for above.

PCO	Payment Item	Description	Quantity	Unit	Unit Price	Net Amount	Time Adj. Months
0170	00001	Completion Deadline Extension and Resolution	1	LS	\$49,900,000	\$49,900,000	17

**Total: \$49,900,000.00**

California High Speed Rail Authority			
Contractor Acceptance by	Submitted by	Recommended by	Approved by
<i>gmg</i>	<i>HM</i>		



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*20/16*
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**Release of Claims**

Except as modified by this Change Order, all terms and conditions of the Contract, as previously modified, remain unchanged and in full force and effect. The parties agree that this Change Order is a final and equitable adjustment of the Contract time and Contract amount and constitutes a mutual accord and satisfaction of all claims, current or future, of whatever nature caused by or arising out of the facts and circumstances surrounding this Change Order including, but not limited to, direct, indirect and consequential costs; additional time for performance; and the impact of the modifications specified in this Change Order, alone or taken with other changes, on the unchanged Work.

**Contractor's Sworn Certification**

By executing this Change Order for the Contractor below, the undersigned for the Contractor certifies as true, under penalty of perjury (under the laws of California, executed in Fresno, California), as follows:

This Change Order is made in good faith and in accordance with the terms of the Contract.

The amount of time and/or compensation requested accurately reflects the appropriate adjustments and includes all known and anticipated impacts or amounts that may be incurred as a result of the event or matter giving rise to such proposed change.

The Contractor has no reason to believe and does not believe that the factual basis for this Change Order is falsely represented.

The Contractor has investigated the basis for each Subcontractor claim and has determined that each such claim is justified as to entitlement and amount of money and/or time requested and has no reason to believe and does not believe that the factual basis for the Subcontractor's claim is falsely represented.

**Subcontractor's Sworn Certification(s):**

Attached as \_\_\_\_\_ [indicate "none" if no such Subcontractors are involved] are sworn certifications from each Subcontractor involved in the Work or event contemplated by this Change Order in the form above.

**Tutor Perini/Zachry/Parsons, a Joint Venture**

<b>Acceptance by</b>		
Signature <i>Jim Laing</i>	Jim Laing - Project Manager/Director	Date <i>6/13/2016</i>
<b>Approval by</b>		
Signature <i>Ronald N. Tutor</i>	Mr. Ronald N. Tutor - Managing Partner Tutor Perini/Zachary/Parsons, a Joint Venture	Date <i>6/13/2016</i>
<b>California High-Speed Rail Authority</b>		
<b>Submitted by</b>		
Signature <i>Hugo Mejia</i>	Hugo Mejia - Design & Construction Manager	Date <i>6/13/16</i>
<b>Recommended by</b>		
Signature <i>Scott Jarvis</i>	Scott Jarvis - Chief Engineer	Date <i>6-14-16</i>
<b>Approval by</b>		
Signature <i>Jeff Morales</i>	Jeff Morales - Chief Executive Officer	Date <i>6-14-16</i>